



NEWS RELEASE

FOR IMMEDIATE RELEASE
January 30, 2009

Contact: Luis Farias
(916) 826-6069

Department of Consumer Affairs' Efforts to Stamp Out Fraud Statewide Nets Unregistered Shops in Bay Area

Bureau of Electronic and Appliance Repair orders shops to register or face fines

PALO ALTO – The Department of Consumer Affairs' (DCA) Bureau of Electronic and Appliance Repair (BEAR) has issued 13 citations as a result of a two-day sweep in Palo Alto of unregistered businesses.

Electronic and appliance repair shops are required to be registered in California. Licensure helps to ensure fair practices for consumers, and gives consumers a means to seek redress if they have problems with a licensee.

"The law requires appliance and electronic repair dealers to treat customers fairly and honestly," said California Department of Consumer Affairs Director Carrie Lopez. "I will travel across the state to stamp out this kind of fraud because this hurts consumers who are already under duress given the economic slowdown. I want consumers to know that they can report any problems or concerns with a licensee to the Department, and we will take action if we uncover wrongdoing."

Prior to the operation, BEAR identified businesses who advertised in local phone directories, mailers and online. BEAR then sent letters to those that provided addresses, reminding them they are required to be licensed. In some instances, businesses did not provide addresses over the phone, and they, too were targeted in the operation.

- MORE -

Unlicensed Activity Sting Nets Unregistered Shops in Bay Area

2-2-2

The operation was conducted over two days at the home of a consumer volunteer. BEAR operatives set up appointments with service and repair dealers they had previously contacted by mail or phone, and invited them to service either a computer, a refrigerator or a television that BEAR set up in the home for the purpose of the operation.

When technicians arrived, the license status of the business was checked again. Those businesses that were not licensed were informed they were in violation of the law, and must take steps to immediately register. Those that applied and paid their registration fees during the operation were not cited. Those that did not were cited and face administrative fines of at least \$250.

In all, 13 businesses were cited for operating without a license. In several instances, a targeted unlicensed business sent unlicensed subcontractors. Those subcontractors were warned that they, too, need to be licensed. And in one instance, a licensed contractor was unaware that his subcontractors needed to be licensed, and has since sent in eight applications to license each subcontractor.

Consumers can check the licenses for electronic or appliance repair businesses, as well as those of many other trades and professions, by visiting DCA's Web site at www.dca.ca.gov, or by calling DCA's Consumer Information Center at (800)-952-5210. Consumers can report unlicensed activity by calling our toll-free unlicensed activity hotline at 877-STOP-ULA (877-786-7852)

#